The following Remarks are in response to the Office action mailed May 14, 2008.

Claims 1 and 7 have been amended. Claim 15 has been canceled without prejudice.

Claims 1-14 remain pending in the application. Applicant appreciates Examiner's

careful review of the present application.

Claim Rejections Under 35 U.S.C. §102

Claims 1-11 were rejected under 35 U.S.C. §102(e) as being anticipated by

Shimizu et al. (U.S. Publication No. 2003/0037014, hereinafter "Shimizu").

Claim Rejections Under 35 U.S.C. §103

Claim 12 was rejected under 35 U.S.C. §103(a) as being unpatentable over

Shimizu in view of Greene, Production and Inventory control Handbook, Third Edition,

McGraw Hill, copyright 1997, pg. 27.6 (hereinafter "Greene").

Claim 13 was rejected under 35 U.S.C. §103(a) as being unpatentable over

Shimizu in view of Suzuki et al. (U.S. Publication No. 2001/0023418, hereinafter

"Suzuki").

Allowable Subject Matter

Claims 14-15 were objected to as being dependent upon a rejected base claim, but

would be allowable if rewritten in independent form including all of the limitations of

the base claim and any intervening claims.

Regarding to the objection to claims 14-15, Applicant has amended claim 7 by

incorporating the substance of the subject matter of claim 15 therein. Accordingly,

claim 15 has been canceled without prejudice. In addition, Applicant has amended

claim 1 by adding the substance of the subject matter of claim 14 therein.

Based on these amendments, Applicant believes a new search will not be warranted

and respectfully requests that the amendments be entered. Amended claims 1 and 7

would not incur a new search because the final combination of the structures/method

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steps of claims 1 and 7 were already examined separately as shown in the current Office

Action. Applicant respectfully requests that reconsideration and removal of the

rejections and allowance of claims 1-14.

In Response

Amended claim 7 is the equivalent of claim 15 rewritten in independent form

including all of the limitations of the base claim 7. Thus, amended claim 7 should be

allowable.

Claims 8-14 depend directly from amended independent claim 7, and therefore

should also be allowable in their current dependent forms.

Claim 15 has been canceled without prejudice, therefore the objection relating

thereto is now moot.

Amended claim 1 is a system claim that corresponds to the subject matter as

recited in amended claim 7. For at least this reason, amended claim 1 should be

allowable.

Claims 2-6 directly or indirectly dependent from amended claim 1, and therefore

should also be allowable.

Double Patenting

Claims 1-11 were provisionally rejected on the ground of nonstatutory double

patenting over claims 1 and 7-11 of copending Application No. 10/748,872 (U.S.

Publication No. 2004/0143488 A1) in view of Shimizu. This is a provisional double

patenting rejection since the conflicting claims have not yet been patented.

In Response

Claim 1, as amended, recites in part:

"a historical purchase costs calculation module for calculating historical purchase

costs of each material by utilizing the formula $C_{UHP}=(A_{II}+Q_{P}*C_{UP})/(Q_{P}+Q_{10})$, wherein

 C_{UHP} stands for the historical purchase costs, A_{II} stands for initial inventory value, Q_{P}

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stands for current period purchase quantity, C_{UP} stands for current purchase costs, and Q_{IO} stands for initial inventory quantity."

Applicant has amended claim 1 by adding the substance of the subject matter of claim 14 therein. That is, the feature regarding "calculating historical purchase costs of each material by utilizing the formula C_{UHP} =(A_{II} + Q_P * C_{UP})/(Q_P + Q_{1O}), wherein C_{UHP} stands for the historical purchase costs, A_{II} stands for initial inventory value, Q_P stands for current period purchase quantity, C_{UP} stands for current purchase costs, and Q_{1O} stands for initial inventory quantity" is incorporated into claim 1. As indicated by Examiner under Allowable Subject Matter of claim 14, this feature of amended claim 1 is neither disclosed nor suggested by the referenced copending Application in view of Shimizu. That is, this feature is not recited in claims 1 and 7-11 of the referenced copending application in view of Shimizu. Accordingly, the subject matter of independent amended claim 1 of the present application is distinct from the subject matter of claims 1 and 7-11 of the referenced copending application in view of Shimizu.

Claims 2-6 depend directly or indirectly from amended independent claim 1. Accordingly, the subject matter of claims 2-6 of the present application are also distinct from the subject matter of claims 1 and 7-11 of the referenced copending application in view of Shimizu.

Claim 7, as amended, recites in part:

"providing a material costs integration module installed in the web server for calculating costs of each material consumed in the product based on the material consumption data by utilizing the formula $C_{CM}=Q_{WM}*C_{UHP}/Q$, wherein C_{CM} stands for the costs of each material consumed in the product, Q_{WM} stands for a quantity of consumed material, C_{UHP} stands for historical purchase costs of a unit of the material, and Q stands for production output."

Applicant has amended claim 7 by adding the substance of the subject matter of claim 15 therein. That is, the feature regarding "calculating costs of each material consumed in the product based on the material consumption data by utilizing the

formula $C_{CM}=Q_{WM}*C_{UHP}/Q$, wherein C_{CM} stands for the costs of each material consumed in the product, Q_{WM} stands for a quantity of consumed material, C_{UHP} stands for historical purchase costs of a unit of the material, and Q stands for production output" is incorporated into claim 7. As indicated by Examiner under Allowable Subject Matter of claim 15, this feature of amended claim 7 is neither disclosed nor suggested by the referenced copending Application in view of Shimizu. That is, this feature is not recited in claims 1 and 7-11 of the referenced copending application in view of Shimizu. Accordingly, the subject matter of amended claim 7 of the present application is distinct from the subject matter of claims 1 and 7-11 of the referenced copending application in view of Shimizu.

Claims 8-11 depend directly from amended independent claim 7. Accordingly, the subject matter of claims 8-11 of the present application are also distinct from the subject matter of claims 1 and 7-11 of the referenced copending application in view of Shimizu.

In conclusion, significant subject matter claimed in the present application is not recited in the claims of the referenced copending application in view of Shimizu, and would not be covered by any patent granted to the referenced copending application in view of Shimizu. In particular, the presently claimed subject matter is unobvious in view of the claims of the referenced copending application in view of Shimizu. Accordingly, it is submitted that claims 1-11 of the present application are patentable over claims 1 and 7-11 of the referenced copending application in view of Shimizu. Reconsideration and removal of the double patenting rejection of claims 1-11 of the present application are requested.

CONCLUSION

Applicant submits that the foregoing Amendment and Response place this application in condition for allowance. If Examiner believes that there are any issues that can be resolved by a telephone conference, or that there are any informalities that can be corrected by an Examiner's amendment, please call the undersigned at 714.626.1224.

Respectfully,

Juei-Mei Wang

By /Frank R. Niranjan/ Dated: June 24, 2008

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